



**General Council
Council for Trade in Goods
Council for Trade in Services
Committee on Trade and Development**

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WORK PROGRAMME ON ELECTRONIC COMMERCE

AIMING AT THE 11TH MINISTERIAL CONFERENCE

Communication from the People's Republic of China

INTRODUCTION

In recent years, E-Commerce has developed rapidly across the world and provided unprecedented means and opportunities to promote global trade, particularly for developing countries and their SMEs to increase exports.

In September 2016, the *B20 2016 Policy Recommendations to the G20* was submitted to G20 leaders in Hangzhou China. The *Recommendations* takes promotion of cross-border E-Commerce as one of the key messages and proposes endorsing the Electronic World Trade Platform (eWTP), underlining the importance of better access to capital and technology for developing countries and their SMEs so as to achieve inclusive trade and growth. *Bring SMEs onto the E-Commerce Highway*, a report released in 2016 by the International Trade Centre (ITC), also advocates public-private dialogues to assist SMEs in their participation in cross-border E-Commerce.

Noting the growing interest among WTO Members in E-Commerce discussions, China welcomes WTO to work on this important issue. In the meantime, in view of its complexity and in particular the wide digital gap among Members, China believes that E-Commerce related work in the WTO should embody the inclusiveness of the multilateral trading system and proceed progressively in the spirit of solidarity. Priority should be given to easy issues to avoid pushing Members to opposing ends and bringing harm to the multilateral trading system. At present stage, the discussions should base themselves on the existing mandate, focusing on areas of common interests to Members with the aim of realizing pragmatic progress at the 11th Ministerial Conference (MC11).

To this end, China proposes that the discussions at the present stage focus on promotion and facilitation of cross-border trade in goods enabled by internet, together with services directly supporting such trade in goods, such as payment and logistics services. The discussions are to clarify and to improve the application of existing multilateral trading rules, with a view to enabling developing Members, SVEs and LDCs in particular, and their SMEs and disadvantaged groups to better participate in and benefit from international trade and global value chains and to achieve leap-forward development. The moratorium on imposition of customs duties on electronic transmissions should be extended. The discussions at this stage should not lead to new market access commitments including tariff reductions. Development dimension should be upheld throughout the discussions and be fully incorporated in the outcomes.

1 SPECIFIC ELEMENTS

1.1 Create a sound trade policy environment facilitating cross-border E-Commerce

1.1. Discuss the desirability and feasibility to provide more facilitating treatment to cross-border E-Commerce of both the B2C and B2B transactions, and explore how to apply simplified border

measures for import, export and transit of goods traded at least under B2C mode. Details may include but are not limited to:

- identifying a list of products eligible for such simplified border measures;
- exploring approaches of implementing tax rebate to goods traded under B2C mode, taking into account the international practice of VAT rebate for exports;
- clarifying policies applicable to returned goods, including tax policies;
- providing simplified fast-track procedures in respect of customs clearance, inspection and quarantine;
- allowing establishment of bonded warehouses in territories of other Members for distribution purposes and providing convenience in terms of customs procedures and levy of duties to the extent possible.

1.2. Exchange information on regulatory measures and procedures for establishing platforms for cross-border E-Commerce transactions as well as for engaging in such transactions, including information on relevant business registration procedures, and discuss the possibility of making them more convenient and secure.

1.3. Exchange information on regulatory measures and procedures for supplying services directly supporting cross-border E-Commerce transactions, including electronic and online payment, logistics and courier, online customs clearance and other trade facilitation services, and discuss the possibility of making them more accommodating.

1.4. Promote paperless trade, and facilitate access to, use of, and data exchange with the single window of a Member's authorities for international trade by cross-border E-Commerce transaction platforms and traders, and also services providers of trade facilitation, payment, logistics and courier services.

1.5. Promote inter-connectivity and data exchange among Members' international trade single windows.

1.6. Promote innovation of trade financing, exchange information on policies and regulatory measures concerning online trade financing for cross-border E-Commerce transactions and explore the possibility of facilitating measures.

1.7. Bolster cooperation among providers of services supporting cross-border E-Commerce transactions, such as logistics and courier services, and payment services.

2 ENHANCE TRANSPARENCY ON POLICY FRAMEWORK OF CROSS-BORDER E-COMMERCE

2.1. Publish laws, regulations and administrative measures relating to cross-border E-Commerce, inform the WTO of the official sites where they are published and provide such laws, regulations and administrative measures to the WTO to the extent possible.

2.2. Make available and update regularly through the Internet description of procedures for importation and exportation of goods under cross-border E-Commerce, especially through the B2C mode.

2.3. Respond to reasonable enquiries from other Members regarding cross-border E-Commerce through enquiry point(s) established and maintained under the Trade Facilitation Agreement.

3 IMPROVE INFRASTRUCTURE AND TECHNICAL CONDITIONS FOR CROSS-BORDER E-COMMERCE

3.1. Exchange information on policies concerning digital certificates, electronic signature and electronic authentication, and promote the mutual recognition of digital certificates and electronic signature as well as their use in cross-border E-Commerce.

3.2. Explore concrete measures to improve the infrastructure and technical conditions for development of cross-border E-Commerce in developing Members, including work to be undertaken within the Aid for Trade framework, such as helping developing Members evaluate their readiness for E-Commerce and enhancing the informatization level of their Customs authorities.

4 OTHER RELEVANT ISSUES

4.1. Exchange information on Members' laws, regulations and administrative measures regarding other policy issues relevant to cross-border E-Commerce, such as consumer protection, privacy protection and intellectual property rights, and discuss the interface between trade policies and such, so as to enhance consumer confidence in cross-border E-Commerce and promote its development.

5 DISCUSSION ORGANIZATION AND SECRETARIAT WORK

5.1. The General Council should enhance its role in providing political guidance and overall coordination. Under the auspices of the General Council Chair, an informal joint meeting of the dedicated session of the General Council for E-Commerce, the Council for Trade in Goods, the Council for Trade in Services, the Council for Trade-Related Aspects of Intellectual Property Rights and the Committee on Trade and Development could be held to have an overall discussion on issues put forward by Members. The issues then could be handed over for more focused and in-depth discussions in either the dedicated session, or the respective Councils or Committee according to their division of responsibilities with the aim of identifying common ground. The General Council would receive interim reports on these discussions and provide political guidance so that the discussions could be advanced in an effective way to obtain pragmatic achievements.

5.2. The Secretariat could undertake more work in enhancing the capabilities of developing Members to benefit from E-Commerce and providing technical support in the multilateral discussions. For example, considering incorporating E-Commerce elements in the Trade Policy Review of Members based on Members' consensus and with the consent of the Member being reviewed; conducting dedicated studies on specific issues upon Members' requests; working with other international organizations and institutions to establish platforms for dialogues and communication among governments, academic institutions, industry associations and other stakeholders; offering E-Commerce policy information and consultancy services to Members, particularly developing Members; and collecting voices and views from SMEs, maintaining contacts with B20 and other business communities and following closely the development of B20's initiative of establishing the eWTP.
